

**RULE 60.2. LIMITING POTENTIAL TO EMIT—SYNTHETIC MINOR SOURCES**  
(Adopted & Effective 4/30/97; Rev. & Eff. 8/13/03; Rev. & Eff. 4/4/12)

(a) **APPLICABILITY**

This rule applies to any new or existing stationary source that would otherwise meet the definition of major stationary source in Rule 1401, but for which the owner or operator applies for synthetic minor source status in accordance with this rule or to any stationary source that is issued synthetic minor source status for a regulated air pollutant, pursuant to this rule. This rule shall not apply to any source subject to Regulation XIV for any reason other than being a major source.

Notwithstanding any provision of this rule, any new or modified stationary source or any new, modified, relocated, or replaced emission unit must obtain an Authority to Construct and/or a Permit to Operate in accordance with Regulation II, including Rules 20.1, 20.2, 20.3, 20.3.1, and 20.4, and Rule 1200, as applicable.

(b) **EXEMPTIONS (RESERVED)**

(c) **DEFINITIONS**

All terms used in this rule shall retain the definitions provided under Regulation XIV, unless otherwise defined herein. For the purposes of this rule the following definitions shall apply:

(1) **“Actual Emissions”** means the emissions of a regulated air pollutant from an emission unit, as approved by the Air Pollution Control Officer, including emissions during startup, shutdown, upset, and breakdown conditions and fugitive emissions, as applicable.

(2) **“Administratively Complete”** means a completed application form; a written certification signed by a responsible official that the contents of the application are true, accurate, and complete; a fee deposit sufficient to cover the estimated costs to the District to review, evaluate, and act on the application; and submittal of sufficient information as specified in Subsection (e)(1)(i) through (e)(1)(iv) to allow the District to begin processing the application.

(3) **“Aggregate Actual Emissions”** means the sum of actual emissions, including fugitive emissions as applicable, of a regulated air pollutant from a group of one or more emission units at a stationary source.

(4) **“Aggregate Allowed Emissions”** means the sum of the maximum emissions of a regulated air pollutant from a group of one or more emission units that are, or will be, allowed by legally and practicably enforceable permit limits.

(5) **“Air Pollution Control Device”** means any device that removes or destroys air contaminants prior to discharge to the ambient air and is not otherwise necessary for the proper functioning or operation of an emission unit or process. Air pollution control devices

include, but are not limited to, electrostatic precipitators, filters, spray towers and scrubbers, thermal and catalytic oxidizers, flares, adsorbers, absorbers, steam or water injection, catalytic and noncatalytic reduction, chemical neutralization, and ozonation. For purposes of this rule, devices that are not air pollution control devices include, but are not limited to, modified furnace or burner designs; staged combustion; reduced combustion preheat; low excess air firing; low nitrogen or sulfur content fuel; air injection; ignition timing retardation; control of oxygen concentration in combustion air; process changes; lids, covers, or other solid enclosures; recovery of process gas; dust suppression by physical stabilization, traffic control, water spray, chemical stabilizers, or wetting agents; baffles; conservation vents; submerged or bottom filling; tank conversion to variable vapor space tank, floating roof tank, or pressurized tank or secondary seals for external floating roof tanks; underground tanks; white paint; low volatile organic compound (VOC), low hazardous air pollutant (HAP), powder, and waterborne coatings; low VOC or low HAP surface preparation or cleaning materials; and high transfer efficiency coating application methods.

(6) **“Compliance Timeframe”** means each clock hour, calendar day, calendar month, or a 12-month period, or other period as specified pursuant to Subsection (d)(1)(ii) of this rule.

(7) **“De Minimis Emissions”** means that emission rate of a regulated air pollutant that is 50% of the synthetic minor margin for that pollutant. In no case shall the de minimis emission rate of a regulated air pollutant exceed 10 percent of the applicable major source threshold for that pollutant.

(8) **“Fugitive Emissions”** means those quantifiable nonvehicular emissions from a stationary source that could not reasonably pass through a stack, chimney, flue, vent, or other functionally equivalent opening. Fugitive emissions shall be applicable when determining compliance with this rule for those pollutants and categories of stationary sources specified in the definition of major stationary source in Rule 1401.

(9) **“Hazardous Air Pollutant (HAP)”** means any substance listed in Section 112(b)(1) or listed pursuant to Section 112(b)(2) of the federal Clean Air Act unless the substance has been subsequently delisted pursuant to Section 112(b)(3) of the federal Clean Air Act.

(10) **“Insignificant Emission Unit”** means any emission unit not required to have a Permit to Operate pursuant to Rule 11 or having a Certificate of Exemption or a Certificate of Registration.

(11) **“Legally and Practicably Enforceable Permit Limits”** means terms or conditions contained in any valid Authority to Construct, Temporary Permit to Operate, or Permit to Operate issued pursuant to these rules and regulations that:

- (i) Contain any combination of operational, production, or verifiable emission limitations that limit the actual emissions of regulated air pollutant(s) during a specified compliance time frame; and

(ii) Are not in violation of any applicable provisions of these rules and regulations or state law; and

(iii) Require sufficient recordkeeping, reporting, and monitoring to determine ongoing compliance with the emission limitations; and

(iv) Incorporate a legally enforceable obligation for the permit owner to adhere to the terms and conditions.

(12) **“Major Source Threshold”** means the emission rates specified in the definition of major stationary source in Rule 1401.

(13) **“Modifications to Synthetic Minor Source Status”** means any physical or operational change at a source which necessitates a revision of any legally and practicably enforceable permit limits or associated reporting, monitoring, and recordkeeping permit conditions that were established pursuant to this rule, or by any other mechanism, and that establish synthetic minor source status for the source.

(14) **“Operational Limitation”** means a limit on a process’s operating inputs, including, but not limited to, hours of operation, raw materials used, or fuel combusted, for which a technically accurate correlation exists between actual emissions and the operating inputs that are limited; or an air pollution control device with specified key operating parameters that assure a specified control efficiency combined with operational, production, or verifiable emission limitations, that limit the device’s input emissions.

(15) **“Owner or Operator”** means any person who owns, operates, controls, or supervises a stationary source.

(16) **“Process Statement”** means a report from the owner or operator of a stationary source specifying process, product, material, operational, and other information the Air Pollution Control Officer determines is necessary to determine actual emissions. A process statement may include, but is not limited to, the identity, composition, and amount of each material used or consumed; the identity, composition and amount of each product produced; the hours of operation; continuous emission monitoring or continuous parametric emission monitoring data; and air pollution control device overall control efficiencies. A process statement shall include any additional information requested in writing by the Air Pollution Control Officer that are necessary to determine actual emissions from specified emission units for a specified time period.

(17) **“Production Limitation”** means a limit on a source’s production rate for which a technically accurate correlation exists between the production rate and actual emissions.

(18) **“Quantifiable”** means that a reliable basis, as determined by the Air Pollution Control Officer, can be established for calculating the amount, rate, nature, and characteristics of actual emissions.

(19) **“Residual Actual Emissions”** means the aggregate actual emissions, determined without consideration of any emission reductions due to air pollution control devices, of any regulated air pollutant from all emission units that are not, or will not be, subject to legally and practicably enforceable permit limits that limit the actual emissions of that pollutant.

(20) **“Stationary Source’s Aggregate Actual Emissions”** means the sum of actual emissions, including fugitive emissions as applicable, of a regulated air pollutant from all the emission units at a stationary source.

(21) **“Synthetic Minor Margin”** means that emission rate of a regulated air pollutant that is equal to the applicable major source threshold less the aggregate allowed emissions for that pollutant.

(22) **“Synthetic Minor Source”** means a stationary source which is subject to legally and practicably enforceable permit limits that limit the emissions of a specified regulated air pollutant such that in any 12-month period, the residual actual emissions of the pollutant are less than or equal to de minimis emissions and the stationary source’s aggregate actual emissions and aggregate allowed emissions of the pollutant in any 12-month period are less than the applicable major source threshold.

(23) **“Technically Accurate”** means based on accepted scientific or engineering principles, reliable measurements, or information, policies, or procedures of the California Air Resources Board, U. S. Environmental Protection Agency, or the District as approved by the Air Pollution Control Officer.

(24) **“12-Month period”** means 12 consecutive calendar months.

(25) **“Verifiable Emission Limitation”** means an emission limitation which is verifiable by a continuous emission monitoring system or parametric emission monitoring system approved in advance by the Air Pollution Control Officer, an emission limitation on surface coating or solvent cleaning operations for which there is no emission control device and VOC and HAP emissions are calculated by assuming complete emission of all VOCs and HAPs present in any coatings and solvents used, or an emission limitation that is equal to an emission unit’s potential to emit.

(26) **“Non-road Engine”** means the same as defined in 40 Code of Federal Regulations, Part 89.

(d) **STANDARDS**

The following standards shall apply to the owner or operator of any stationary source who submits an application to the Air Pollution Control Officer for, or is granted, synthetic minor source status.

(1) Ongoing compliance with legally and practicably enforceable permit limits shall be determined as follows:

(i) The first compliance timeframe shall begin on:

(A) the date on which application for synthetic minor source status is submitted, except as provided for in Subsection (d)(1)(i)(C), for clock hour or calendar day compliance timeframes; and

(B) the start of the calendar month in which application for synthetic minor source status is submitted, except as provided for in Subsection (d)(1)(i)(C) for calendar month or 12-month period compliance timeframes; or

(C) on a date different from the date specified in Subsections (d)(1)(i)(A) or (d)(1)(i)(B), as applicable, provided that the owner or operator and the Air Pollution Control Officer agree on such a date and the date is no later than the first day of the calendar month following the calendar month in which a Permit to Operate containing the compliance timeframe is issued in accordance with this rule.

(ii) Ongoing compliance shall be determined on:

(A) An hourly basis for a clock hour compliance timeframe; and

(B) A daily basis for a calendar day compliance timeframe; and

(C) A calendar month basis for a calendar month or 12-month period compliance timeframes; or

(D) Such other period up to but not exceeding a calendar quarter where the Air Pollution Control Officer determines that a shorter period to determine compliance or emissions is not feasible nor practical. In such case, the emissions at the stationary source associated with such other period shall be apportioned to each calendar month within the period using a procedure approved by the Air Pollution Control Officer.

(2) For purposes of District Rules and Regulations, a stationary source shall not be considered a major source for a regulated air pollutant if, as determined by the Air Pollution Control Officer:

(i) The source is in ongoing compliance with legally and practicably enforceable permit limits that establish synthetic minor source status for that pollutant; and

(ii) The source's residual actual emissions in the 12-month period beginning with the start of the first compliance timeframe and each 12-month period thereafter are less than the de minimis emissions for the source; and

(iii) The aggregate actual emissions in the 12-month period beginning with the start of the first compliance timeframe and each 12-month period thereafter of each regulated pollutant from all emission units at the stationary source do not exceed the applicable major source threshold; and

(iv) The aggregate allowed emissions in the 12-month period beginning with the start of the first compliance timeframe and each 12-month period thereafter of each regulated pollutant from all emission units at the stationary source that have legally and practicably enforceable permit limits do not exceed the applicable major source threshold; and

(v) The source has maintained sufficient records commencing with the first compliance timeframe and provided sufficient information to the Air Pollution Control Officer that the Air Pollution Control Officer deems adequate to allow a determination of compliance with Subsections (d)(2)(i) through (d)(2)(iv).

(3) An exceedance of any legally and practicably enforceable permit limit used to establish synthetic minor source status for that regulated air pollutant is deemed a violation of this rule.

(4) Within 30 calendar days, or a longer period of time if deemed necessary by the Air Pollution Control Officer, of a written request by the Air Pollution Control Officer, the owner or operator of a stationary source that is a synthetic minor source for a regulated air pollutant shall demonstrate that, for any 12-month period that begins on or after the start of the first compliance timeframe, residual actual emissions of that pollutant are less than de minimis emissions.

(5) If for any 12-month period that begins on or after the start of the first compliance timeframe, residual actual emissions of a regulated air pollutant for which synthetic minor source status has been established have exceeded de minimis emissions, or, as determined by the Air Pollution Control Officer, inadequate information has been provided by the source pursuant to Subsection (d)(4) to make such a determination, the source shall be deemed in violation of this rule.

(6) The owner or operator of a source that exceeds any emission limitations for a regulated air pollutant identified as legally and practicably enforceable shall report such exceedances to the Air Pollution Control Officer within 30 calendar days of the occurrence of such exceedance.

(7) Except as provided in Subsection (d)(8), a source requesting synthetic minor source status shall not be relieved of the responsibility of complying with the application or other requirements of Regulation XIV until the District takes final action to issue a Permit to Operate in accordance with Section (f).

(8) If an administratively complete application, including applicable fees, is submitted requesting synthetic minor source status and by the application submittal date the source begins maintaining records in accordance with Subsection (h) (except that records of total quantities since the start of the first compliance timeframe shall be deemed as meeting requirements of Subsections (h)(1)(iv) and (h)(3)(ii)(C)) from the date of the application submittal the source shall not be considered a major stationary source for purposes of these Rules and Regulations unless the Air Pollution Control Officer cancels or denies the source's application for synthetic minor source status.

(9) Modifications to synthetic minor source status for a regulated air pollutant shall comply with all applicable requirements of these rules and regulations.

(10) For purposes of this rule, when determining actual emissions, any air pollution control device shall be deemed to have an overall emission control efficiency of zero percent unless it is part of an operational limitation that establishes a legally and practicably enforceable permit limit.

(11) Notwithstanding any permit terms or conditions established pursuant to this rule, all terms and conditions in any Permit to Operate, Authority to Construct, Temporary Authorization, Certificate of Exemption, Certificate of Registration, or Settlement Agreement otherwise established pursuant to these rules and regulations shall remain in force unless modified or removed in accordance with Regulation II, Regulation XIV, and Rule 1200.

**(e) APPLICATION FOR SYNTHETIC MINOR SOURCE STATUS**

A stationary source subject to this rule may apply for synthetic minor source status, or modification to such status, for any regulated air pollutant by submitting an application to modify some or all of the source's Permits to Operate or, with the approval of the Air Pollution Control Officer, an application for a new Permit to Operate in accordance with the following:

**(1) Application Content**

An application shall include:

- (i) Specification of the regulated air pollutant(s) for which synthetic minor source status is requested; and

(ii) The identification and description of all existing emission units at the source emitting the specified pollutant(s), except for insignificant units unless deemed necessary by the Air Pollution Control Officer to determine the source's actual emissions; and

(iii) A demonstration to the satisfaction of the Air Pollution Control Officer that the stationary source's aggregate actual emissions of all regulated air pollutants will be less than the applicable major source thresholds for the 12-month period beginning with the month in which application for synthetic minor source status is made; and

(iv) Proposed legally and practicably enforceable permit limits which:

(A) identify the emission units or groups of emission units that such conditions shall be applied to; and

(B) limit the actual emissions of the specified regulated air pollutant(s) to a level such that the stationary source is a synthetic minor source for that pollutant(s); and

(v) A written certification signed by a responsible official that, based on information and belief formed after reasonable inquiry, the contents of the application are true, accurate, and complete; and

(vi) A fee deposit sufficient to cover the estimated costs to the District to review, evaluate, and act on the application; and

(vii) Any additional information requested by the Air Pollution Control Officer.

**(2) Timely Application**

An owner or operator of a stationary source who chooses to apply for synthetic minor source status shall make such a request within the following timeframes:

(i) For any stationary source that commences operating after March 6, 1997, the owner or operator shall apply for synthetic minor source status no later than 60 calendar days before an application is required under Regulation XIV; or

(ii) For any major stationary source that is operating in compliance with a Title V permit issued pursuant to Regulation XIV, the owner or operator shall request synthetic minor source status no later than eight calendar months prior to permit renewal; or

(iii) On a case-by-case basis, and with the agreement of the owner or operator of an affected stationary source, the Air Pollution Control Officer may establish an alternative date to the applicable dates in Subsections (e)(2)(i) and (e)(2)(ii) for submittal of an application for synthetic minor source status.



(f) **DISTRICT PROCEDURES**

(1) **Action on Applications**

The District shall take actions on applications for synthetic minor source status in accordance with Regulation II.

(2) **Renewal of Synthetic Minor Source Status**

Renewal of synthetic minor source status shall be made in accordance with permit renewals described in Rule 10 with renewal fees determined pursuant to Section (g) of this rule.

(3) **Content of Synthetic Minor Source Permits**

Permits to Operate issued or modified pursuant to this rule that establish synthetic minor source status shall:

(i) Include a statement that the source has synthetic minor source status for specified regulated air pollutants; and

(ii) Identify all permit conditions necessary to establish synthetic minor source status for a specified regulated air pollutant(s); and

(iii) Include legally and practicably enforceable permit limits that limit the actual emissions of individual emission units or groups of emission units such that the source meets the definition of a synthetic minor source for the specified regulated air pollutant(s); and

(iv) Include the initial start date of compliance timeframes; and

(v) Include recordkeeping requirements in accordance with Section (h); and

(vi) Include reporting requirements in accordance with Section (i); and

(vii) Specify any new monitoring requirements including analysis procedures, test methods and frequency, and recordkeeping designed to serve as monitoring that are sufficient to allow a determination of compliance with the legally and practicably enforceable permit limits for the relevant compliance timeframes.

(4) **Compliance with Regulation XIV**

If the Air Pollution Control Officer cancels an application for synthetic minor source status or denies an application for synthetic minor source status, the applicant shall be deemed subject to the requirement to submit an application pursuant to Regulation XIV from the first day such an application was required under Regulation XIV.

(g) **FEES**

The owner or operator of a stationary source for which synthetic minor source status is applied for in accordance with this rule or a stationary source which is issued synthetic minor source status pursuant to this rule shall pay a fee sufficient to recover the actual costs incurred by the Air Pollution Control District to review, evaluate, and act upon applications for, or modifications to, such status and the actual costs associated with annual permit renewal and compliance determinations. The actual costs shall be the additional cost that the Air Pollution Control Officer determines are not otherwise recovered from other applicable fees prescribed in Rule 40. The actual costs shall be determined using the labor rates specified in Rule 40, Schedule 94.

(h) **RECORDKEEPING**

The recordkeeping requirements of this rule shall not supersede any recordkeeping requirements contained in any Authority to Construct, Temporary Permit to Operate, Permit to Operate, Certificate of Exemption, Certificate of Registration, or Settlement Agreement established pursuant to these rules and regulations; any District rules and regulations; or state law. The owner or operator of a stationary source that has applied for or received legally and practicably enforceable permit limits pursuant to this rule shall maintain records, as necessary to determine actual emissions, in accordance with the following:

(1) For each emission unit or group of emission units for which legally and practicably enforceable permit limits have established production limitations or operational limitations, not including air pollution control devices, the owner or operator shall maintain, as applicable, the following records:

(i) Information on the process and equipment including, but not limited to, the following: equipment type, description, make and model; maximum design process rate or throughput; type and description of any control device(s); and

(ii) Information on the identity and composition of each material used or consumed and product produced; and

(iii) Calendar month or daily records of operating hours, the identity and amount of each material used or consumed, and the identity and amount of each product produced; and

(iv) For emission units with limits having a 12-month period compliance timeframe, records of the total operating hours, the total amount of each material used or consumed, and the total amount of each product produced during each 12-month period; and

(v) Purchase orders, invoices, laboratory reports, material safety data sheets, and other documents necessary to support the information on material compositions and information in the monthly or daily records; and

(vi) Any additional information requested in writing by the Air Pollution Control Officer.

(2) For air pollution control devices that are used to establish legally and practicably enforceable permit limits, the owner or operator shall maintain the following records, as applicable:

(i) Information identifying all key system operating parameters such as temperatures, pressures, and flow rates that are necessary to determine the overall control efficiency of the device; and

(ii) Daily records of key system operating parameters sufficient to document the overall control efficiency of the device on an ongoing basis; and

(iii) A daily log of hours of operation including notation of any control unit breakdowns, upsets, repairs, maintenance, and any other deviations from equipment design and key operating parameters.

(3) For verifiable emission limitations that are used to establish legally and practicably enforceable permit limits, the owner or operator shall maintain the following records, as applicable:

(i) Continuous emission monitoring or continuous parametric monitoring records as specified by the Air Pollution Control Officer; or

(ii) For all VOC and HAP containing materials:

(A) Information on the identity and VOC and HAP content of each material used; and

(B) Calendar month or daily records of the identity and amount of each material used; and

(C) For limits having a 12-month period compliance timeframe, records of the total amount of each material used during each 12-month period; and

(D) Purchase orders, invoices, laboratory reports, material safety data sheets, and other documents necessary to support the information on material compositions and information in the monthly or daily records; and

(E) Any additional information requested in writing by the Air Pollution Control Officer.

(4) For each emission unit or group of emission units that contributes to residual actual emissions the owner or operator shall maintain such records or upon request from the Air Pollution Control Officer provide other information necessary to demonstrate that residual actual emissions are less than de minimis emissions pursuant to Subsection (d)(4).

(5) All records shall be retained on site for at least three years and be made available to the District upon request.

(i) **REPORTING**

The owner or operator of any equipment or stationary source subject to the provisions of this rule shall submit by the submittal date of the Emissions Statement Form(s) required by Rule 19.3 for the year in which application for synthetic minor source status is requested, and each year thereafter, or on such other dates as specified by the Air Pollution Control Officer, a Process Statement for the preceding calendar year for all emission units with legally and practicably enforceable permit limits.

Documentation and calculations used to prepare the material presented in the Process Statement shall be maintained by the owner or operator for at least three years and shall be made available to the District upon request.